UNITED STATES PATENT AND TRADEMARK OFFICE

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SCULLY, SCOTT, MURPHY & PRESSER, P.C.
400 GARDEN CITY PLAZA
SUITE 300
GARDEN CITY, NY 11530

EXAMINER
SHRESTHA, BIJENDRA K

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Please find below and/or attached an Office communication concerning this application or proceeding.

The time period for reply, if any, is set in the attached communication.

PTOL-90A (Rev. 04/07)

-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE <u>3</u> MONTH(S) OR THIRTY (30) DAYS, WHICHEVER IS LONGER, FROM THE MAILING DATE OF THIS COMMUNICATION.
- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

Status

1)☒ Responsive to communication(s) filed on <u>16 June 2008</u>.

2a)☐ This action is **FINAL**.   2b)☒ This action is non-final.

3)☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

Disposition of Claims

4)☒ Claim(s) <u>5-9 and 12-15</u> is/are pending in the application.

    4a) Of the above claim(s) _____ is/are withdrawn from consideration.

5)☐ Claim(s) _____ is/are allowed.

6)☒ Claim(s) <u>5-9 and 12-15</u> is/are rejected.

7)☐ Claim(s) _____ is/are objected to.

8)☐ Claim(s) _____ are subject to restriction and/or election requirement.

Application Papers

9)☐ The specification is objected to by the Examiner.

10)☐ The drawing(s) filed on _____ is/are: a)☐ accepted or b)☐ objected to by the Examiner.

    Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).

    Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).

11)☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

Priority under 35 U.S.C. § 119

12)☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).

    a)☐ All   b)☐ Some * c)☐ None of:

      1.☐ Certified copies of the priority documents have been received.

      2.☐ Certified copies of the priority documents have been received in Application No. _____.

      3.☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).

    * See the attached detailed Office action for a list of the certified copies not received.

Attachment(s)

1)☒ Notice of References Cited (PTO-892)

2)☐ Notice of Draftsperson's Patent Drawing Review (PTO-948)

3)☒ Information Disclosure Statement(s) (PTO/SB/08) Paper No(s)/Mail Date <u>07/16/2003</u>.

4)☐ Interview Summary (PTO-413) Paper No(s)/Mail Date. _____ .

5)☐ Notice of Informal Patent Application

6)☐ Other: _____ .

DETAILED ACTION

Priority

Acknowledgement is made of applicant's claim for priority to European Patent

Office (EPO) application 00127046.1 filed on 09/12/2000.

Claim Rejections - 35 USC § 101

1.   35 U.S.C. 101 reads as follows:

> Whoever invents or discovers any new and useful process, machine, manufacture, or composition of matter, or any new and useful improvement thereof, may obtain a patent therefor, subject to the conditions and requirements of this title.

Claims 12-15 are rejected under 35 U.S.C. 101 because the claimed invention is

directed to non-statutory subject matter.

Regarding claim 12, as best understood, it appears that the claimed method

steps could simply be performed by mental process alone and are not statutory. Based

on Supreme Court precedent, a proper process must be tied to another statutory class

or transform underlying subject matter to a different state or thing (*Diamond v. Diehr,*

450 U.S. 175, 184 (1981); *Parker* v. *Flook,* 437 U.S. 584, 588 n.9 (1978); *Gottschalk v.*

Benson, 409 U.S. *63,* 70 (1972); *Cochrane* v. *Deener,* 94 U.S. 780,787-88 (1876)).

Since neither of these requirements is met by the claim, the method is not considered a

patent eligible process under 35 U.S.C. 101. To qualify as a statutory process, the

claim should positively recite the other statutory class to which it is tied, for example by

identifying the apparatus that accomplished the method steps or positively reciting the

subject matter that is being transformed, for example by identifying the material that is

being changed to a different state.

Claim Rejections - 35 USC § 103

2.   The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all

obviousness rejections set forth in this Office action:

> (a) A patent may not be obtained though the invention is not identically disclosed or described as set
> forth in section 102 of this title, if the differences between the subject matter sought to be patented and
> the prior art are such that the subject matter as a whole would have been obvious at the time the
> invention was made to a person having ordinary skill in the art to which said subject matter pertains.
> Patentability shall not be negatived by the manner in which the invention was made.

3.   Claims 5-9 are rejected under 35 U.S.C. 103(a) as being unpatentable over

Curry et al., U.S. Patent No. 5,949,880 (reference A in attached PT0-892) in view of

Kingdon et al., U.S. Patent No. 6,615,193 (reference B in attached PTO-892) further in

view of Teicher (reference AA in IDS submitted by the applicant).

4.   As per claim 5, Curry et al. teach an electronic purse data carrier for performing

monetary transactions, comprising

        a storage means for storing **one** or more payment units each having a respective

monetary value (see Fig. 2, column, lines 59-67 to column 2, lines 1-6);

         each of said payment units comprising an age information evaluable for

delimiting the use of the payment unit (see Fig. 2; column 3, lines 66-67 to column 4,

lines 1-4; where counter 206 in data carrier keep track of number of transaction

(frequency of use) performed delimiting use of payment unit), and

        in which said age information reflects the extent of transactional use of the

respective payment unit (see Fig. 2, Counter (206) and Timer (208); column 3, lines 66-

67 to column 4, lines 1-4; where timer and counter enables to track frequency use of the payment unit of portable module), and

in which said age information represents a date information (see Fig. 2; column 4, lines 2-5; where timer 208 provide timestamp (date) information);

a processor for read and/or write access to said storage means, and means for updating said age information whenever a transaction has been performed with a respective payment unit (see Fig. 2; column 4, lines 4-6; where memory controller (processor) 204 controls read and write access to memory 202 and updates transaction counter and timer data to the memory);

means for transferring a respective age information from said parent unit to the plurality of child payment units, and means for generating a resulting age information for said joined payment unit according to a predetermined rule, said means for transferring a respective age information further excluding said one or more payment units having a monetary value smaller than a predetermined value from inheriting age information, and said means for transferring a respective age information further excluding said one or more payment units that have exceeded a predetermined change threshold age level from a split or join process (see Fig. 5, steps Y10-Y13; column 9, lines 3-12; where age information is transferred from ATM 112 to portable module (data carrier); Examiner interprets process is transferring age information between card to card is essentially same as that from ATM to cards as explained in Teicher reference below).

The Examiner further notes, information identifying type, characteristics, condition, etc. is construed as nonfunctional descriptive material, and is not functionally

related to the substrate of the method. The conditions and terms of splitting and joining

coins of different denomination is a nonfunctional descriptive material. Thus, this

descriptive material will not distinguish the claimed invention from the prior art in terms

of patentability, see Cf. In re Gulack, 703 F.2d 1381 , 1385, 217 USPQ 401 , 404 (Fed.

Cir. 1983), In re Lowry, 32 F.3d 1579, 32 USPQ2d 1031 (Fed. Cir. 1994).

Curry et al. <u>do not teach that each of said payment units having a respective</u>

<u>unique payment unit-ID (Examiner notes that Portable Module (Fig.2) have unique ID</u>

<u>Number (210) is capable to store at least one payment unit of any amount meeting the</u>

<u>requirement of limitation of this claim)</u>.

Kingdon et al. teach that each of said payment units having a respective unique

payment unit-ID (see Fig. 1-2; column 5, lines 26-34; where unique identity tag is

associated with monitory value).

Therefore, it would be prima facie obvious to one of ordinary skill in the art at the

time the invention was made to include payment units having a respective unique

payment unit-ID of Curry et al. because Kingdon et al. teach that incorporating above

features enables to detect fraud and provides means to assess levels of fraudulent

exposure (Kingdon et al., column 3, lines 2-7).

Curry et al. in view of Kingdon et al. <u>do not teach means for splitting a parent</u>

<u>payment unit having a given non-minimum parent monetary value into a plurality of child</u>

<u>payment units, each having a child monetary value smaller than the parent value, the</u>

<u>sum of child monetary values being the same as the parent monetary value, and means</u>

for joining a plurality of single payment units having a given total monetary value into a joined payment unit having a corresponding same monetary value.

Teicher teaches means for splitting a parent payment unit having a given non-minimum parent monetary value into a plurality of child payment units, each having a child monetary value smaller than the parent value, the sum of child monetary values being the same as the parent monetary value, and means for joining a plurality of single payment units having a given total monetary value into a joined payment unit having a corresponding same monetary value (see column 26, lines 59-67; column 27, lines 1-10; where card to card transaction feature allows transfer of electronic coins through transaction device (essentially similar to purse-to-drawer interface) while maintaining the integrity of the system).

Therefore, it would be prima facie obvious to one of ordinary skill in the art at the time the invention was made to allow splitting a parent payment unit having a given non-minimum parent monetary value into a plurality of child payment units of Curry et al. in view of Kingdon et al. because Teicher teaches that splitting a parent payment unit having a given non-minimum parent monetary value into a plurality of child payment units enable person-to-person transactions (Teicher, column 26, lines 61-63).

5.   As per claim 6, Curry et al. in view of Kingdon et al. further in view of Teicher teach claim 5 as described above.

Curry et al. in view of Kingdon et al. do not teach means for generating a patching pattern for splitting and/or joining payment units according to storage requirements present on the carrier.

Teicher teaches means for generating a patching pattern for splitting and/or joining payment units according to storage requirements present on the carrier (see column 27, lines 1-9; where card-to-card transaction are limited according to the electronic coins stored in both cards).

Therefore, it would be prima facie obvious to one of ordinary skill in the art at the time the invention was made to allow means for generating a patching pattern for splitting and/or joining payment units according to storage requirements present on the carrier of Curry et al. in view of Kingdon et al. because Teicher teaches that means for generating a patching pattern for splitting and/or joining payment units according to storage requirements present on the carrier would limit card-to-card payment according to the amount actually stored in both cards (Teicher, column 27, lines 4-6).

6.   As per claim 7, Curry et al. in view of Kingdon et al. further in view of Teicher teach claim 5 as described above.

Curry et al. teach the carrier comprising

means for excluding a payment unit from an intended split or join process if said payment unit has exceeded a predetermined change threshold age level (Curry et al., Fig. 4, steps X6 and X7; column 7, lines 50-54).

7.   As per claim 8, Curry et al. in view of Kingdon et al. further in view of Teicher teach claim 7 as described above.

Curry et al. in view of Kingdon et al. <u>do not teach a plurality of payment units of different monetary value</u>.

Teicher teaches a plurality of payment units of different monetary value (see Fig. 26, column 2, lines 49-53).

Therefore, it would be prima facie obvious to one of ordinary skill in the art at the time the invention was made to allow a plurality of payment units of different monetary value Curry et al. in view of Kingdon et al. because Teicher teaches that allowing a plurality of payment units of different monetary value would minimize storage requirements for electronic coins and provide signal for security leak, if there is forbidden repetition or out-of-range instances (Teicher, column 2, lines 55-65).

8.   As per claim 9, Curry et al. in view of Kingdon et al. teach claim 1 as described above.

Curry et al. in view of Kingdon et al. <u>do not teach means for storing personal identification Data associated with one or more payment units</u>.

Teicher teaches means for storing personal identification data associated with one or more payment units (see column 27, lines 36-44).

Therefore, it would be prima facie obvious to one of ordinary skill in the art at the time the invention was made to allow means for storing personal identification data associated with one or more payment units of Curry et al. in view of Kingdon et al. because Teicher teaches that allowing means for storing personal identification Data associated with one or more payment units would enable to identify unused electronic bills upon the expiration date (Teicher, column 27, lines 51-51).

9.   Claims 12-15 are rejected under 35 U.S.C. 103(a) as being unpatentable over

Curry et al., U.S. Patent No. 5,949,880 (reference A in attached PT0-892) in view of

Kingdon et al., U.S. Patent No. 6,615,193 (reference B in attached PTO-892) further in

view of Teicher (reference AA in IDS submitted by the applicant) further in view of

Wallace, U.S. Patent No. 5,988,497 (reference C in attached PTO-892).

10.   As per claim 12, Curry et al. teach a method for managing electronic payments

with an electronic purse data carrier, comprising the steps of:

checking for each transaction if age information of a payment unit being part of

the transaction has matching transaction count, and restricting the use of a payment

unit with not matched transaction counter (see Fig. 1; Fig. 4, step X6; column 7, lines

50-54; where transaction occurs only if transaction count (age information) matches);

splitting a parent payment unit having a given non-minimum parent monetary_

value into a plurality of child payment units each having a child monetary value smaller

than the parent value, the sum of child monetary values being the same as the parent

monetary value, and transferring a respective age information from said parent unit to

the plurality of child payment units, joining a plurality of single payment units having a

given total monetary value into a joined payment unit having a corresponding same

monetary value, and generating a resulting age information for said joined payment unit

according to a predetermined rule, said step of transferring a respective age information

further excluding said one or more payment units having a monetary value smaller than

a predetermined value from inheriting age information, said step of transferring a

respective age information further excluding said one or more payment units that have

exceeded a predetermined change threshold age level from a split or join process (see

claim 5 above)

Curry et al. <u>do not teach checking for each transaction if age information of a</u>

<u>payment unit being part of the transaction has exceeded a predetermined transaction</u>

<u>age threshold level, and restricting the use of a payment unit with an exceeded</u>

<u>transaction age threshold level</u>.

Wallace teach checking for each transaction if age information of a payment unit

being part of the transaction has exceeded a predetermined transaction age threshold

level, and restricting the use of a payment unit with an exceeded transaction age

threshold level (Wallace, Fig. 1, step 110 and 118; column 2, lines 4-29; where

threshold condition such as frequency of use or other conditions that could be set by

service provider must be satisfied in order to approve the transaction).

Therefore, it would be prima facie obvious to one of ordinary skill in the art at the

time the invention was made to include checking for each transaction if age information

of a payment unit being part of the transaction has exceeded a predetermined

transaction age threshold level, and restricting the use of a payment unit with an

exceeded transaction age threshold level of Curry et al. because Wallace teaches that

incorporating above features enables deter fraudulent use of credit card (Wallace,

column 27-33).

11.   As per claim 13, Curry et al. in view of Wallace teach claim 12 as described

above.

Curry et al. further teach the method comprising the steps of:

using an age counter mechanism for checking the age information of a payment

unit (see Fig. 4, step X1; Fig. 5, step Y1; transaction count (age information) is checked

by transaction counter 206 in Fig. 2),

the counter mechanism being

implemented by encrypting a target number X, by successively applying, a total

of m-times, a private key to a source key and the respective application result, said

source key representing unused age information (see Fig. 4, step X1 and X2; column 7,

lines 20-27),

said target number X being the result of applying, a total of n-times, a public key

to said source key, on each payment transaction applying said public key on said age

information yielding a respective current age data (see Fig. 4, step X4; column 7, lines

40-44), and

checking for each transaction if the age information of a payment unit being part

of the transaction corresponds to the target number X (see Fig. 4, step X5 and X6).

12.   As per claim 14, Curry et al. in view of Wallace teach claim 13 as described

above.

Curry et al. further teach the method, in which

repetitive application of the public key to said source key, and the respective

application results yields a monotone varying function with a transaction age threshold

value corresponding to said target number X (see Fig. 4, steps X4-X6; where public key

repetitively applied to source key (encrypted data packet) as transaction counter is

updated after each successful transaction; transaction is permitted if and only if counter

number matches).

13.   As per claim 15, Curry et al teach computer program product stored on a

computer usable medium comprising computer readable program means for causing a

computer to manage electronic payments with an electronic purse data carrier, where

the carrier stores age information corresponding to payment units stored thereon, the

computer program product causing the computer to perform the steps of:

checking for each transaction if age information of a payment unit being part of

the transaction has matching transaction count, and restricting the use of a payment

unit with not matched transaction counter (see Fig. 3, steps X6 and X7; column 7, lines

50-54; Fig. 5; stepsY6 and Y7; column 8, lines 59-65; the secure model is programmed

to check matching of its counter transaction number with decrypted data's transaction

counter number and transaction proceeds forward if and only if they are exact match, to

make sure that data received is not counterfeit data); and

splitting a parent payment unit having a given non-minimum parent monetary_

value into a plurality of child payment units each having a child monetary value smaller

than the parent value, the sum of child monetary values being the same as the parent

monetary value, and transferring a respective age information from said parent unit to

the plurality of child payment tints, joining a plurality of single payment units having a

given total monetary value into a joined payment unit having a corresponding same

monetary value, and generating a resulting age information for said joined payment unit

according to a predetermined rule, said step of transferring a respective age information

further excluding said one or more payment units having a monetary value smaller than

a predetermined value from inheriting age information, said step of transferring a

respective age information further excluding said one or more payment units that have

exceeded a predetermined change threshold age level from a split or join process (see

claim 5 above).

Curry et al. do not teach checking for each transaction if age information of a

payment unit being part of the transaction has exceeded a predetermined transaction

age threshold level, and restricting the use of a payment unit with an exceeded

transaction age threshold level.

Wallace teach checking for each transaction if age information of a payment unit

being part of the transaction has exceeded a predetermined transaction age threshold

level, and restricting the use of a payment unit with an exceeded transaction age

threshold level (see Fig. 1, step 110 and 118; column 2, lines 4-29; column 5, lines 23-

34; where threshold condition such as frequency of use or other conditions that could be

set by service provider must be satisfied in order to approve the transaction).

Therefore, it would be prima facie obvious to one of ordinary skill in the art at the

time the invention was made to include checking for each transaction if age information

of a payment unit being part of the transaction has exceeded a predetermined

transaction age threshold level, and restricting the use of a payment unit with an

exceeded transaction age threshold level of Curry et al. because Wallace teaches that

incorporating above features enables deter fraudulent use of credit card (Wallace, column 4, lines 31-49).

Conclusion

14.   The prior art made of record and not relied upon is considered pertinent to applicant's disclosures. The following are pertinent to current invention, though not relied upon:

Bellare et al. (U.S. Patent No. 5,999,625) teach method for electronic payment system with issuer control.

Collin (U.S. Patent No. 4,992,646) teaches transaction system of electronic purse type.

Graves et al. (U.S. Patent No. 6,575,361) teach system and method for managing stored-value card data.

Jones et al. (U.S. Patent No. 5,440,634) teaches electronic purse value transfer system.

Hjelmvik (U.S. Patent No. 6,431,454) teach method of effecting payment with a card that includes an electronic purse.

Matsumoto et al. (U.S. Patent No. 6,345,263) teach electronic purse application system and method thereof.

Nakano et al. (U.S. Patent No. 5,987,438) teach electronic wallet system.

Rankl et al. (U.S. Patent No. 5,534,683) teach multifunctional card having an electronic purse.

Shiobara et al. (U.S. Patent No. 6,266,653) teach electronic money management.

Teicher (U.S. Patent No. 6,076,075) teach retail unit and payment unit for serving a customer with electronic wallet on purchase and method for executing the same.

Any inquiry concerning this communication or earlier communications from the examiner should be directed to Bijendra K. Shrestha whose telephone number is (571) 270-1374. The examiner can normally be reached on 7:00 AM - 4:30 PM (Monday-Friday); 2nd Friday OFF.

If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, Alexander Kalinowski can be reached on (571) 272-6771. The fax phone number for the organization where this application or proceeding is assigned is 571-273-8300.

Information regarding the status of an application may be obtained from the Patent Application Information Retrieval (PAIR) system. Status information for published applications may be obtained from either Private PAIR or Public PAIR. Status information for unpublished applications is available through Private PAIR only. For more information about the PAIR system, see http://pair-direct.uspto.gov. Should you have questions on access to the Private PAIR system, contact the Electronic Business Center (EBC) at 866-217-9197 (toll-free). If you would like assistance from a USPTO Customer Service Representative or access to the automated information system, call 800-786-9199 (IN USA OR CANADA) or 571-272-1000.

bks/3691

/Hani M. Kazimi/

Primary Examiner, Art Unit 3691